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CABLE HOME SHOPPING

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CABLE HOME SHOPPING

This is one of a series of marketing research reports prepared by the Newspaper Advertising Bureau, Inc., as a service to the newspaper business and its advertisers.

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INTRODUCTION

In the last few years, cable home shopping has increased dramatically. As the TV viewer sees it, the procedure is simple: you turn on the television, watch a spokesperson displaying merchandise, and then, if you wish, call a number on the screen to order. You give your credit card number for payment and a few weeks later the merchandise arrives. If you don't like it, you can return it.

Often the merchandise can be ordered only for a short time after it is shown on the screen. Although referred to here as cable home shopping, the same procedure is being used on broadcast channels as well. In some cases, part of the time is devoted to entertainment while in other cases, all of the time is devoted to displaying merchandise.

There are many questions about cable home shopping:

Do customers like it?

Is this a threat to traditional merchants?

Is this a threat to other advertising media?

Is it a fad?

For how long will the business continue to grow at this rate?

Who are the purchasers and what are they like?

What is being sold?

These questions raise still more questions. Whether it is a threat depends on its volume of business and whether it maintains itself instead of fizzling out like previous fads. Whether it maintains itself depends on both whether present viewers continue to buy and also whether the availability of channels is maintained or grows.

Cable home shopping is now big business. Paul Kagan Associates Inc. has estimated that home shopping sales for 1987 will be $1.75 billion. The same source estimates sales for 1985 as $91 million and for 1986 as $450 million. As each new cable system adds a home shopping channel, coverage increases. (Often the cable operator is reimbursed with 5% of the sales). The same source also estimates coverage of all U.S. homes as 3% in 1985; 13% in '86 and 46% in '87. Some of these figures are cited in Home Furnishings Daily, 4/6/87, p.14, while others come from a presentation by Lawrence Gerbrandt at the summer 1987 INAME Conference as reported in Newspaper Marketing, September, 1987.

The same Home Furnishings Daily article quotes the president of the second largest video retailer (Cable Value Network or CVN) as

saying, "Merchandise has to be first quality and shipable, holding high perceived value while being sold at substantial discount, allowing us meaningful margins."

In that case, perhaps the merchants most threatened would be the specialized (rather than full line) discounters who offer few services to the customer. (These are the stores featuring bare walls, top-line factory-sealed merchandise and low prices).

Paul Kagan Associates also report estimates of annualized revenue to Home Shopping Network (one of the major home shopping networks) of $535 per buyer (Home Shopping Investor, April 22, 1987, p.7). They cite quarterly revenue of $134 per buyer. A Media Buying Associates study, as reported in Marketing and Media Decisions (March 1987), suggests that a viewer's average expenditure per item is about $40 and that the buyers are more upscale and better educated than one might guess. Friedman of Homans, Trull, Valeo and Co is cited in Business Week for 3/30/87 as saying that sales for the first quarter after the cable channel becomes available may be $200 per household while the third quarter average sale may be $100. Merchandise returns are reported to be high. One cable shopping company has gone bankrupt already.

HOW THE STUDY WAS DONE

There were two surveys. Both were conducted by Opinion Research Corporation, by way of their Telephone Caravan Survey (which puts questions from several sponsors into the same questionnaire). The sample for each survey was made up of about 500 men and 500 women, selected by random probability methods from the country as a whole. Each sample represents the total population of all adults in the country. All interviewing was conducted in the spring of 1987: one study in early March and the second in early May.

The first study was sponsored by ORC. Some of their data were released for public use.

The second survey was carried out according to specifications by the Newspaper Advertising Bureau. Some of the questions used were identical to those used in ORC's first survey. Copies of the questions used in both studies are in the appendix.

Since most of the questions were asked in one study but not the other, typically, data reported here are based on one study or the other, but not both. The questions asked in both studies are whether the respondent watched and purchased. The details of sampling precision can be found just before the Appendix.

Cable home shopping might be considered analogous to a new product. The classic means of estimating the future success of a new product is to measure both consumer acceptance of the product and also the repeat purchase rate. In such a study, it is also usually valuable to find out something about the satisfactions provided by the new product and the demographic characteristics of the users. These two studies provide some of that information.

SUMMARY OF FINDINGS

A sizable proportion (perhaps about 60%) of American households had cable shopping available at the time of interviewing (Spring 1987).

Among those who have cable home shopping available to them, about half (57%) have ever watched. This proportion could be expected to rise, with time, among those who have cable home shopping available.

A small proportion (10% to 20%) of those who have cable home shopping available bought something from it in the last year. Only one percent or so of those families make a purchase in any given month. When the same families are taken as a proportion of all U.S. families, both with and without cable, about 5% bought at least once in the last twelve months.

This is not a one-purchase-and-then-never-again phenomenon. The average purchaser made 2.39 purchases in the last twelve months.

The number of purchases per month is highest for those for whom cable home shopping is new: about one and a half purchases per month among those who had cable home shopping for three months or less. The rate of purchasing drops to the rate of about one purchase every six months by the time a family has had cable home shopping for a year.

The mix of products perceived to be advertised on cable home shopping is not the mix of products reported bought.

Despite the possibility of being cheated, one of the motivations of watching is entertainment.

CONCLUSIONS

The business could be expected to peak and then subside.

Few individuals buy much. Cable television, because it is time-bound, is not suitable for an efficient search for specific products. Stores are.

Those who buy the most are likely to be those consumers who both use catalogs regularly and also enjoy this kind of television.

These studies were not designed to measure total U.S. sales volume of cable home shopping. However, findings from this study on the number of purchases last year can be used to flesh out some of the projections by others.

National sales volume would be at an annual rate of between $695 million and $1,025 million if the average purchase were $40. If

the average buyer spends $535 a year, then the average purchase would be $224 and annual national sales would be about $4,815 million. In order for a sales volume to be $1,750 million, the average purchase would have to be about $81.

FINDINGS

1. How many have cable home shopping?

A sizable proportion (perhaps as many as 60%) of American households have cable shopping available.

In response to a question in the ORC survey, 71% said they were familiar with home shopping on TV. In the NAB survey, 61% of the respondents said they have cable home shopping.

How are these two numbers to be reconciled? If some respondents had seen it away from home or on broadcast or had heard about it but never seen it, then the ORC 71% would overestimate the proportion who have cable shopping available to them on their own television sets. Furthermore, these are telephone samples and therefore, given the slightly upscale bias of telephone samples, probably fewer than 61% of the households in the population have it.

2. How many watch?

Among those who have cable home shopping available, about half (57%)

have ever watched (NAB study). This proportion could be expected to rise, with time.

A similar question in the ORC survey led to about the same proportion. Of those who said they were familiar with home shopping programs, 54% reported that they themselves had watched at some time in the past. The comparable figure for anyone in the household is 60%.

About half (51%) of those with cable home shopping available have had it available for less than a year. As people get more used to the idea and occasionally see cable home shopping on the screen, this proportion of those who have ever watched could be expected to rise.

Those most likely to watch are the young (67%) and the less well educated (71%). The better educated are less likely to watch (50%).

3. How many buy?

A small proportion (12% of respondents; 19% of the families) who have cable home shopping available bought something from it in the last year.

In one survey the proportion of adults who have purchased is 13%; in the other it is 12%. That's about one out of eight. Of those who watch (NAB study), blacks and those with less than a high school education are more likely to buy (27% and 20%, respectively). When the focus is shifted to households instead of individuals, the proportion who bought at least once in the last twelve months goes up to 19% (ORC study).

4. Is there repeat business?

This is not a one-purchase phenomenon.

It is not the case that people buy once, find they don't like what they have purchased and then decide never to buy again.

The average purchaser made 2.39 purchases in the last twelve months. That means there is repeat business. While purchasers sometimes return the merchandise, apparently that does not keep them from buying again.

5. How many families buy per month?

Of those families who have cable home shopping available, only one percent or so make a purchase in any given month.

Despite the clear benefit of comparing this statistic (percent of families buying per month) among those who recently gained access to cable home shopping to the same statistic among those who have had cable home shopping for a while, these data will not support detailed comparisons. The sample size is just too small to look at buyers per month among those who have had cable for one month, two months, three etc. However it is possible to make some comparisons.

6. Is the number of purchases per month related to the time the channel has been available?

Yes. Among those who purchase at all, the number of purchases per month is highest for those for whom cable home shopping is new. The rate of purchasing then drops. The relationship looks like a curve, not a straight line. It may level off by the time a family has had cable home shopping for a year. (See the chart following Table 3. The equation generated to fit the data is: $y=.14+\{[.719*(.903^{x})]*[1+((4-x)/(x+1))]\}$ where y is the number of purchases per month and x is the time in months that cable home shopping has been available. This equation accounts for 89% of the variance.)

Among those who buy at all, those who have had cable home shopping for less than three months make about one and a half

purchases per month. Among those who have had cable home shopping for a year or more, purchasers buy at the rate of about one purchase every six or seven months. This is consistent with the concept behind Freidman's statement that $200 is spent in the first three months but only $100 in months six to nine.

7. What is the best guess about future sales of cable home shopping?

The business could be expected to peak and then subside.

Sales from a single cable operator's area begin when he introduces his first home shopping channel. With the passage of time, the sales volume should decline from that channel in that area as viewers reduce the rate at which they purchase. Therefore, in the aggregate, sales from all operators should show pattern of peaks and declines as channels are first introduced and then "age". In total, there should be an upward sawtooth trend in sales as cable home shopping availability increases.

In principle, this pattern of increases might continue until all households have a home shopping channel. At that point, sales would probably continue to slide until either an equilibrium is reached or until something else is introduced into the system.

In practice, as coverage approaches 100%, it is harder and harder to reach more households, so sales should slow even before 100% coverage is reached.

8. What do consumers get out of cable home shopping?

First of all, they get convenience and they usually get a low price. From the point of view of purely psychological satisfactions, it seems that one of the motivations is the entertainment of watching these shows and of buying. Only a limited set of questions on attitudes toward cable home shopping was used in these surveys.

Compared to those who watch but do not buy, buyers are more likely to say it is entertaining. In fact, at least one cable home shopping operator is including entertainment in all his air time. For none of the other attitude measures is there a statistically significant difference between buyers and those who are watchers but not buyers. Thus it is likely that none of these other items are related to satisfactions that are unique to the buyers. For instance, just as high a proportion of buyers as non-buyers say that the merchandise may not be what it seems to be.

9. What is the mix of merchandise advertised and sold?

The merchandise perceived to be advertised is not generally what is reported to be bought.

About a third (34%) of the reports of cable home shopping watchers are that the goods advertised are either personal apparel, furniture or kitchen utensils. Perceptions of what is advertised do not match the reported purchases. Only a tenth (11%) of the purchases are from these categories.

Almost half (45%) of the reports of watchers are that the offerings are jewelry or electronic/sound/video items. That is about the proportion (37%) of the purchases accounted for by these items. However, the items accounting for the remaining 21% of the reports of what is being advertised -- tools, toys, telephones, car equipment and the ubiquitous "other" category -- account for about half (52%) of the sales.

10. How does cable home shopping relate to catalog shopping?

Those who buy from cable home shopping are much more likely to have bought from catalogs than are those who do not buy from cable home shopping.

Among respondents who bought at least one item from the cable channel, about a quarter (23%) reported shopping by catalog very often. The comparable number for those who watched but did not buy is 8%.

The converse of this is also true: among those who watch cable home shopping, those who shop catalogs very often are more likely to make purchases from cable channels (32%) than are those who don't shop catalogs very often (11%). That means that the best prospects for cable home shopping are catalog purchasers. (Perhaps some of the purchases made through cable home shopping are at the expense of catalog sales.)

11. What is the sales volume of cable home shopping?

Annual sales might be roughly estimated to be between $695 million and $1,025 million, if the average purchase were to cost $40.

Neither of these studies was designed to estimate total sales. Such an estimate would require figures on the total number of items purchased and the cost per item. Both studies asked if the respondent had purchased. One study asked the number of times the respondent had purchased in the last twelve months. Neither asked respondents about cost per item or the number of items per purchase.

It is possible to estimate the total number of purchases, per year, per person, first for the two samples combined and then, projected, for the total United States. Out of the 2011 respondents in the two samples combined, 104 or 5.2% said they had bought. Sampling error, in this case, is ± .9%.

This proportion could be projected to the 172,957,000 adults 18+ in the United States*; it would be about 22 million purchases on an annual basis (5.2% of the 173 million adults times 2.39 purchases per buyer). If each purchase were to cost $40, as the Media Buying Associates study suggests, then the annual sales volume would be about $860 million, plus or minus $165 million. Taking the $165 million confidence interval into account means that those estimates should be rounded to a low estimate of about $695 million and a high estimate of about $1,025 million.

On the other hand, if total sales volume for the year 1987 were to be about $1.75 billion, as Kagan estimates, then the number of purchases divided into $1.75 billion would provide an estimate of the cost per purchase. The result of those calculations gives an estimate of $81.

*MediaMark Research, Inc.; Spring 1987

TABLE 1 NAB Survey

Question: Are there any home shopping programs available in your area that you can watch on your television set?

How often do you watch such TV home shopping programs, at least one or more times every day, about two or three days a week, about two or three times a month, less than once a month or have you never watched at all?

			Frequency of Watching				
	(Base)	Available	2 or more times week	2 or 3 times month	Less	Never	Don't know
Total Public	(1011)	61%	11	16	30	41	*
Northeast	(217)	64%	15	11	31	43	*
North Central	(251)	57%	7	24	28	42	0
South	(343)	63%	13	18	30	39	1
West	(200)	59%	11	11	33	44	0
Non-Metro Area	(281)	57%	16	16	32	37	0
Metro Area (under 1 million)	(354)	64%	9	17	31	43	0
Metro Area (1 million +)	(376)	61%	11	16	29	43	1
Less than 35 years old	(393)	66%	13	19	29	39	0
35-64	(465)	63%	7	15	36	42	0
65 years or more	(144)	45%	19	12	18	48	3
High School Incomplete	(132)	51%	23	11	38	26	3
High School Complete	(384)	62%	14	20	28	38	0
College Incomplete	(204)	66%	7	19	29	45	0
College Graduate	(285)	61%	6	11	33	50	*

TABLE 2 NAB Survey

Question: What kind of merchandise have you seen advertised on such a home shopping program?

What merchandise have you bought from a home shopping program in the past 12 months?

	Advertised			Bought		
Merchandise	All Mentions	Net	Sum	All Mentions	Net	Sum
Personal Apparel		10%			2%	
Furniture/Furnishings		9			1	
Statuettes/figurines	3		34	1		11
Lamps	2			-		
Other	4			-		
Kitchen Utensils		15			8	
Jewelry, etc.		30			24	
Watches	4			5		
Clocks	2			2		
Rings	2			3		
Necklaces	3			1		
Other	19			16		
Electronic/Sound/Video		15			13	
Stereo	4			0		
Radios	5			5		
TV's	4			2		
VCR's	3			2		
Cameras	2			7		
Miscellaneous		21			52	
Tools	5			10		
Toys	4			10		
Car equip.	1			4		
Telephones	2			5		
Other	11			32		
Tools, Toys, Telephones, Watches, Radios & Cameras	22			41		
Base: (mentions)	(888)	100%		(68)	100%	

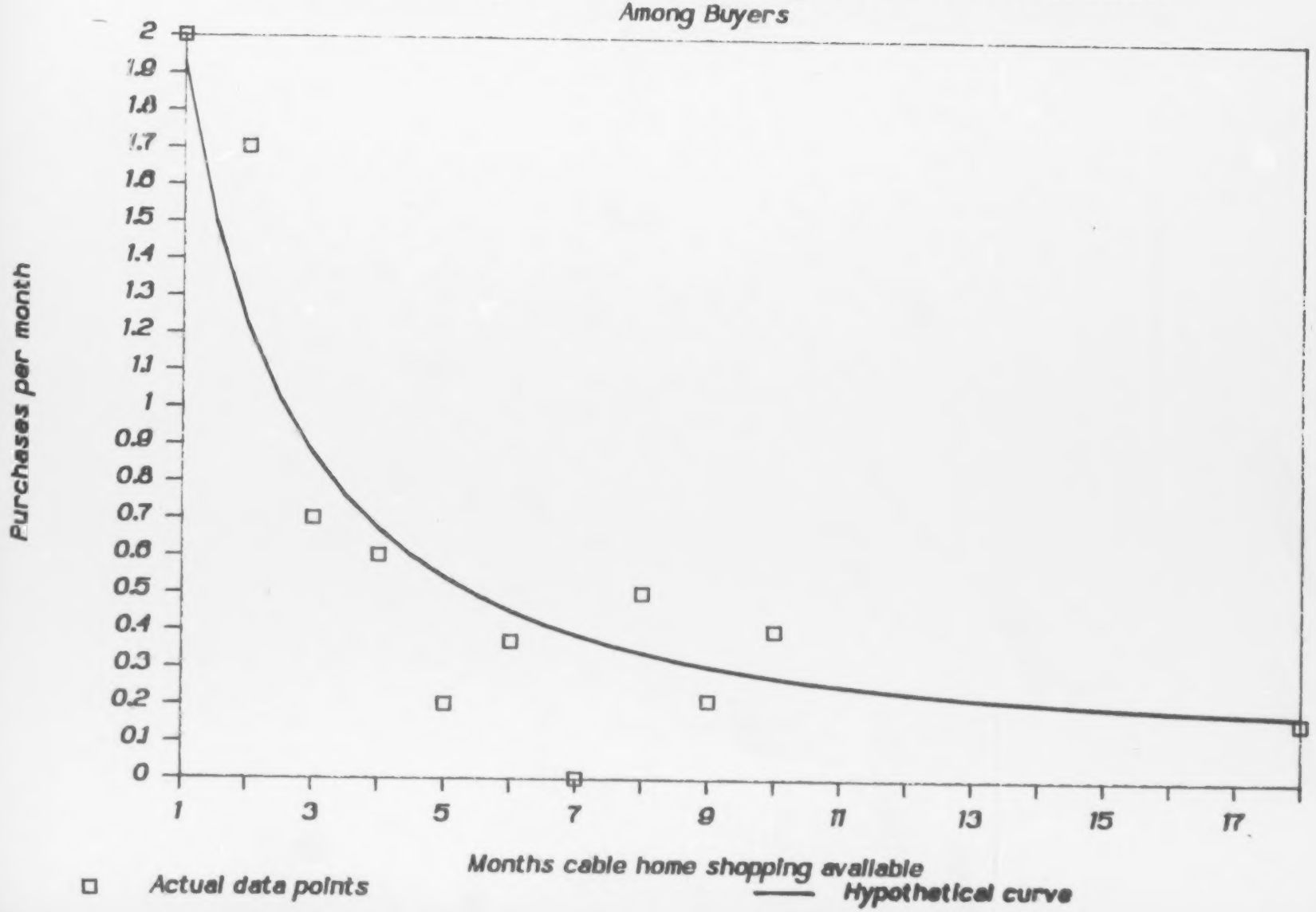
TABLE 3 NAB Survey

Question: Are there any home shopping programs available in your area that you can watch on your television set? How often do you watch...?

In the past 12 months, how many times have you bought anything advertised on such a program?

	(Base) (Ever Watched)	Purchased in Past 12 Months
Total Public	(357)	13%
Northeast	(80)	11%
North Central	(82)	12%
South	(131)	16%
West	(64)	8%
Non-Metro Area	(98)	16%
Metro Area (under 1 million)	(129)	9%
Metro Area (1 million +)	(130)	14%
Less than 35 years old	(167)	14%
35-64	(160)	11%
65 years or more	(29)	15%
High School Incomplete	(51)	20%
High School Complete	(149)	10%
College Incomplete	(75)	16%
College Graduate	(81)	11%
White	(303)	11%
Black	(38)	27%

Purchases per month, by time available



Precision of the Figures in the Samples

Although samples are cheaper and more efficient than censuses in finding out what populations say, samples are not very precise. The imprecision depends both on the sample size and the specifics of the questionnaire.

Because of sample size, in this study a percentage close to 50% will give an estimate that is plus or minus three percentage points. That is, a sample figure of 46% means that the population figure is between 43% and 49%. While 46% is the "best" estimate, there is no way to be certain that the population figure is not 49% or 45%, to take two examples.

For sub-groups of the sample, the estimates are less precise. The worst example is the sub-group of 69 respondents (those who made at least one purchase from cable home shopping) where the estimates for percentages close to 50% are plus or minus twelve percentage points.

The imprecision due to the questionnaire is much more difficult. The value of two waves with similar (but not identical) questionnaires is that separate estimates can be made from each. When those estimates are close, there is reason for confidence that the estimates are close to the population figure.

APPENDIX

The five pages of tables that follow are reproductions of pages from the April 1987 ORC Issue Watch, which is a service of the ORC Public Opinion Index, put out by Opinion Research Corporation, North Harrison St., Princeton, NJ. This issue is devoted to public awareness of TV home shopping programs.

Following the five pages of tables are copies of the questions used in both studies. First there are two pages of questions used in the NAB study. Then come three pages of questions used in the ORC study. Then come six pages of demographic questions that were used with both studies.

"There is a relatively new type of program on television - the home shopping program on which all kinds of merchandise are offered for sale. Viewers make their purchases by phoning in their orders on a toll-free line and paying by either credit card or check."

"How familiar are you with this kind of home shopping program - would you say you are very familiar, fairly familiar, only a little familiar, or not at all familiar?"

	(Base)	Very Familiar	Fairly Familiar	Only a Little Familiar	Not at all Familiar	Don't Know
Total Public	(1001)	15%	22	34	28	1
Northeast	(213)	19%	22	31	28	*
North Central	(250)	13%	22	39	25	2
South	(340)	15%	20	33	31	1
West	(198)	13%	26	35	25	*
Non-Metro Area	(260)	8%	20	37	34	2
Metro Area (under 1 million)	(338)	16%	21	32	30	1
Metro Area (1 million +)	(403)	19%	25	35	21	*
Less than 35 years old	(366)	17%	24	40	18	1
35-64 years	(498)	15%	24	33	27	1
65 years or more	(130)	8%	12	25	54	1
High School Incomplete	(100)	15%	14	26	44	*
High School Graduate	(370)	15%	20	32	31	1
College Incomplete	(189)	15%	26	34	24	1
College Graduate	(330)	15%	25	41	19	*

*Less than 1/2%

"Which home shopping programs do you recall having heard of?"
(Base = Those familiar with home shopping programs)

(Base)	Total (725)
Home Shopping Network or Clubs	16%
Cable Value Network	12
Value Television	5
Tel-Shop	2
Shopping Place	1
Quality Value Network	1
Other	7
Don't Know	62

(Multiple Responses Accepted)

"Have you or has anyone else in your household ever watched any home shopping program?"

(Base)	Total Public (1001)	Total Familiar With Home Shopping Programs (725)
Yes, respondent has	41%	54%
Yes, someone else has	11	14
No	51	39
Don't Know	3	1

(Multiple Responses Accepted)

"Have you or has anyone else in your household ever made a purchase from a home shopping program?"
(Base = Those whose household members have watched home shopping programs)

(Base)	Total Public (468)	Total Familiar With Home Shopping Programs (438)
Yes, respondent has	12%	13%
Yes, someone else has	6	6
No	82	82
Don't Know	1	1

(Multiple Responses Accepted)

"Now, I'd like to read you several statements about home shopping programs on TV. As I read each statement, please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree."

	(Base)	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Don't Know
A. "Home shopping programs are a fad that will not last very long."						
Total Public	(1001)	17%	24	29	15	16
Total Familiar	(725)	16%	26	32	16	10
Total Watched	(468)	16%	24	35	19	6
B. "It is too easy for these programs to exaggerate or distort the description of an item being offered for sale."						
Total Public	(1001)	37%	32	13	7	11
Total Familiar	(725)	38%	34	14	7	6
Total Watched	(468)	40%	32	15	8	5

	(Base)	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	Don't Know
C. "Home shopping programs are a real convenience for busy people or those who can't get out to shop."						
Total Public	(1001)	30%	41	11	8	9
Total Familiar	(725)	32%	42	13	9	4
Total Watched	(468)	33%	43	11	10	3
D. "If you shop around, you probably can find a lower price for most items than the price on a TV shopping program."						
Total Public	(1001)	36%	28	11	6	19
Total Familiar	(725)	36%	28	13	7	15
Total Watched	(468)	34%	30	15	9	12
E. "Home shopping programs encourage people to buy, on impulse, more than they can afford."						
Total Public	(1001)	42%	28	12	8	10
Total Familiar	(725)	44%	29	13	7	7
Total Watched	(468)	44%	29	14	7	6
F. "Home shopping programs provide enjoyable entertainment for many people even if they buy little or nothing."						
Total Public	(1001)	23%	36	15	14	12
Total Familiar	(725)	26%	39	15	14	6
Total Watched	(468)	31%	42	13	12	3

"All things considered, how do you feel about home shopping programs on TV - do you strongly approve, somewhat approve, somewhat disapprove, strongly disapprove, or doesn't it matter much to you one way or the other?"

(Base)	Total Public (1001)		Total Familiar (725)		Total Watched (468)	
Strongly Approve	7%	31%	8%	35%	10%	41%
Somewhat Approve	24		27		31	
Somewhat Disapprove	8	15	8	15	6	14
Strongly Disapprove	7		7		8	
Doesn't Matter	49		49		45	
Don't Know/No Opinion	4		2		1	

"How often, if at all, have you, personally, shopped by catalog - very often, fairly often, only a little, or never?"

(Base)	Total Public (1001)	
Very Often	12%	79%
Fairly Often	19	
Only a Little	48	
Never	20	
Don't Know/No Opinion	*	

"How often, if at all, has anyone else in your household shopped by catalog - very often, fairly often, only a little, or never?"

(Base)	Total Public (1001)	
Very Often	9%	24%
Fairly Often	15	
Only a Little	38	73
Never	35	
Don't Know/No Opinion	4	

Questions used in the NAB study.

There is a relatively new type of program on television - the home shopping program on which all kinds of merchandise are offered for sale. Viewers make their purchases by phoning in their orders on a toll-free line and paying by either credit card or check.

N1. Are there any home shopping programs available in your area that you can watch on your television set?

1 YES
2 NO → SKIP TO NEXT SECTION
3 DON'T KNOW → SKIP TO NEXT SECTION

IF "1" IN Q. N1, ASK:

N2. For how many months would you say such TV home shopping programs have been available to you? (CIRCLE ONE RESPONSE.)

1 ONE MONTH
2 TWO MONTHS
3 THREE MONTHS
4 FOUR MONTHS
5 FIVE MONTHS
6 SIX MONTHS
7 SEVEN MONTHS
8 EIGHT MONTHS
9 NINE MONTHS
10 TEN MONTHS
11 ELEVEN MONTHS
12 TWELVE MONTHS OR LONGER
13 DON'T KNOW

N3. How often do you watch such TV home shopping programs, at least one or more times every day, about two or three days a week, about two or three times a month, less than once a month, or have you never watched at all?

1 ONE OR MORE TIMES EVERY DAY
2 TWO OR THREE TIMES A WEEK
3 TWO OR THREE TIMES A MONTH
4 LESS THAN ONCE A MONTH
5 NEVER WATCHED AT ALL → SKIP TO NEXT SECTION
6 DON'T KNOW

IF NOT "5" IN Q. N3, ASK:

N4. What kind of merchandise have you seen advertised on such a home shopping program? Please try to recall as many items as you can. (PROBE: What else?)

CONTINUE IF NOT "5" IN Q.N3:

N5. In the past 12 months, how many times have you bought anything advertised on such a program?

1	NONE ——→ SKIP TO NEXT SECTION
2	ONCE
3	TWICE
4	3 TIMES
5	4 TIMES
6	5 TIMES
7	6 TIMES
8	7 TIMES
9	8 TIMES
10	9 TIMES
11	10 TIMES OR MORE
12	DON'T KNOW

IF NOT "1" IN Q. N5, ASK:

N6. What merchandise have you bought from a home shopping program in the past 12 months? (PROBE: What else?)

Questions used in the ORC study.

SECTION H

There is a relatively new type of program on television - the home shopping program on which all kinds of merchandise are offered for sale. Viewers make their purchases by phoning in their orders on a toll-free line and paying by either credit card or check.

H1. How familiar are you with this kind of home shopping program - would you say you are very familiar, fairly familiar, only a little familiar, or not at all familiar?

1 VERY FAMILIAR
2 FAIRLY FAMILIAR
3 ONLY A LITTLE FAMILIAR
4 NOT AT ALL FAMILIAR → SKIP TO Q.3
5 DON'T KNOW/NO OPINION → SKIP TO Q.3

IF "1," "2," OR "3" ON Q.1, ASK:

H2. Which home shopping programs do you recall having heard of? (ASK AS AN OPEN QUESTION. DO NOT READ RESPONSES. CIRCLE ALL RESPONSES GIVEN. WRITE IN "OTHER" RESPONSES.)

1 CABLE VALUE NETWORK
2 HOME SHOPPING NETWORK OR CLUBS
3 SHOPPING PLACE
4 TEL-SHOP
5 QUALITY VALUE NETWORK
6 VALUE TELEVISION
7 OTHER (SPECIFY):_____
8 DON'T KNOW/NO OPINION

H3. Have you or has anyone else in your household ever watched any home shopping program? (ACCEPT MULTIPLE RESPONSES.)

1 YES, RESPONDENT HAS
2 YES, SOMEONE ELSE HAS
3 NO → SKIP TO Q.5
4 DON'T KNOW/NO OPINION → SKIP TO Q.5

IF "1" AND/OR "2" ON Q.3, ASK:

H4. Have you or has anyone else in your household ever made a purchase from a home shopping program? (ACCEPT MULTIPLE RESPONSES.)

1 YES, RESPONDENT HAS
2 YES, SOMEONE ELSE HAS
3 NO
4 DON'T KNOW/NO OPINION

H5. Now, I'd like to read you several statements about home shopping programs on TV. As I read each statement, please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree. (START FIRST INTERVIEW WITH "a", SECOND INTERVIEW WITH "c", THIRD INTERVIEW WITH "e." REPEAT SEQUENCE ON SUBSEQUENT INTERVIEWS. ASK ALL ITEMS ON EVERY INTERVIEW.)

	STRONGLY AGREE	SOMEWHAT AGREE	SOMEWHAT DISAGREE	STRONGLY DISAGREE	DON'T KNOW/ NO OPINION
→a. Home shopping programs are a fad that will not last very long	1	2	3	4	5
b. It is too easy for these programs to exaggerate or distort the description of an item being offered for sale	1	2	3	4	5
→c. Home shopping programs are a real convenience for busy people or those who can't get out to shop	1	2	3	4	5
d. If you shop around, you probably can find a lower price for most items than the price on a TV shopping program	1	2	3	4	5
→e. Home shopping programs encourage people to buy, on impulse, more than they can afford	1	2	3	4	5
f. Home shopping programs provide enjoyable entertainment for many people even if they buy little or nothing	1	2	3	4	5

H6. All things considered, how do you feel about home shopping programs on TV - do you strongly approve, somewhat approve, somewhat disapprove, strongly disapprove, or doesn't it matter much to you one way or the other?

1 STRONGLY APPROVE

2 SOMEWHAT APPROVE

3 SOMEWHAT DISAPPROVE

4 STRONGLY DISAPPROVE

5 DOESN'T MATTER

6 DON'T KNOW/NO OPINION

H7. How often, if at all, have you, personally, shopped by catalog - very often, fairly often, only a little, or never?

1 VERY OFTEN

2 FAIRLY OFTEN

3 ONLY A LITTLE

4 NEVER

5 DON'T KNOW/NO OPINION

H8. How often, if at all, has anyone else in your household shopped by catalog - very often, fairly often, only a little, or never?

1 VERY OFTEN

2 FAIRLY OFTEN

3 ONLY A LITTLE

4 NEVER

5 DON'T KNOW/NO OPINION

Demographic questions used in both studies.

SECTION 5

Now, just a few questions for background purposes.

S1. Are you the male/female head of this household?

1 YES
2 NO
3 REFUSED

S1a. Are you currently . . . ?

1 Employed full time
2 Employed part time
3 Retired → SKIP TO Q.S3
4 Not employed → SKIP TO Q.S3

IF "1" OR "2" ON Q.S1a, ASK:
S2. What is your occupation? (REFER TO OCCUPATION CODE.)

1 WHITE COLLAR -- PROFESSIONAL, MANAGERIAL, OWNER
2 WHITE COLLAR -- SALES, CLERICAL
3 BLUE COLLAR -- CRAFTSMEN/FOREMEN
4 BLUE COLLAR -- SEMISKILLED, UNSKILLED
5 SERVICE WORKER
6 OTHER (SPECIFY):_____

S3. What is your current marital status? Are you . . . ?

1 Married
2 Living as married
3 Single and never been married
4 Divorced
5 Separated
6 Widowed

S3a. Do you own or rent the dwelling in which you live?

1 OWN
2 RENT

4. Altogether, including you and any others, how many people regularly live in this household?

1 ONE → SKIP TO Q.57
2 TWO
3 THREE
4 FOUR
5 FIVE
6 SIX
7 SEVEN
8 EIGHT
9 NINE
10 TEN OR MORE

IF MORE THAN ONE PERSON ON Q.54, ASK:

S5. Are there any children living in your household under 12 years of age?

1 YES
2 NO
3 DON'T KNOW

S6. Are there any children living in your household aged 12 through 17?

1 YES
2 NO
3 DON'T KNOW

S7. What was the last grade in school you completed?

1 8TH GRADE OR LESS
2 HIGH SCHOOL INCOMPLETE (GRADES 9, 10, 11)
3 HIGH SCHOOL COMPLETE (GRADE 12)
4 SOME COLLEGE
5 COLLEGE GRADUATE
6 POSTGRADUATE WORK
7 PROFESSIONAL/TECHNICAL SCHOOL
8 REFUSED

S8. What is your age?

1 18-20
2 21-24
3 25-29
4 30-34
5 35-39
6 40-44
7 45-49
8 50-54
9 55-59
10 60-64
11 65 OR OLDER
12 REFUSED

S9. Are you white, black, or some other race?

1 WHITE
2 BLACK
3 OTHER
4 REFUSED

S10. Was your <u>total</u> household income <u>before</u> taxes for <u>1986</u> less than $25,000 or $25,000 or more?

1 LESS THAN $25,000 ⟶ Was that . . . ? (READ CHOICES.)

1 Under $7,000
2 $7,000 but less than $10,000
3 $10,000 but less than $15,000
4 $15,000 but less than $20,000
5 $20,000 but less than $25,000

2 $25,000 OR MORE ⟶ Was that . . . ? (READ CHOICES.)

6 $25,000 but less than $30,000
7 $30,000 but less than $35,000
8 $35,000 but less than $50,000
9 $50,000 or more

3 DON'T KNOW/REFUSED

Thank you very much for your time. May I please verify that I reached you by dialing . . .

_____ _____
(AREA CODE) (TELEPHONE NUMBER)